



Brand Performance Check

Acne Studios

Publication date: April 2024

This report covers the evaluation period 01-09-2022 to 31-08-2023

About the Brand Performance Check

Fair Wear Foundation (Fair Wear) believes that improving conditions for apparel product location workers requires change at many levels. Traditional efforts to improve conditions focus primarily on the product location. Fair Wear, however, believes that the management decisions of clothing brands have an enormous influence for good or ill on product location conditions.

Fair Wear's Brand Performance Check is a tool to evaluate and report on the activities of Fair Wear's member companies. The Checks examine how member company management systems support Fair Wear's Code of Labour Practices. They evaluate the parts of member company supply chains where clothing is assembled. This is the most labour intensive part of garment supply chains, and where brands can have the most influence over working conditions.

In most apparel supply chains, clothing brands do not own product locations, and most product locations work for many different brands. This means that in most cases Fair Wear member companies have influence, but not direct control, over working conditions. As a result, the Brand Performance Checks focus primarily on verifying the efforts of member companies. Outcomes at the product location level are assessed via audits and complaint reports, however the complexity of the supply chains means that even the best efforts of Fair Wear member companies cannot guarantee results.

Even if outcomes at the product location level cannot be guaranteed, the importance of good management practices by member companies cannot be understated. Even one concerned customer at a product location can have significant positive impacts on a range of issues like health and safety conditions or freedom of association. And if one customer at a product location can demonstrate that improvements are possible, other customers no longer have an excuse not to act. The development and sharing of these types of best practices has long been a core part of Fair Wear's work.

The Brand Performance Check system is designed to accommodate the range of structures and strengths that different companies have, and reflects the different ways that brands can support better working conditions.

This report is based on interviews with member company employees who play important roles in the management of supply chains, and a variety of documentation sources, financial records, supplier data. The findings from the Brand Performance Check are summarized and published at www.fairwear.org. The online [Brand Performance Check Guide](#) provides more information about the indicators.

Scoring overview

Total score: 144

Possible score: 204

Benchmarking Score: 71

Performance Benchmarking Category: Leader



Summary:

Acne has shown advanced results on performance indicators and has made exceptional progress. With a total benchmarking score of 71, the member is placed in the Leader category.

Acne's sourcing strategy shows the company's commitment to long-term relationships and the Fair Wear Code of Labour Practices. The member has a long and complex supply chain. Acne sources from 14 countries, mainly in Europe, the Global South and North Africa. In total, the brand sources from 344 production locations. In the financial year under review, the brand has placed orders in 300 production locations while the remaining 44 factories did not receive orders but remain part of Acne's pool of suppliers and subcontractors. In particular, as the brand produces luxury products with many different styles, suppliers with special types of machinery and skills are needed. In the financial year under review, the brand added 63 new production locations and followed its onboarding process for all of them. So far, Acne privileges mostly countries where freedom of association is protected by law.

Acne developed a risk analysis matrix in line with the OECD requirements, focusing on all different kinds of risks. In its risk scoping, the member has assessed the impact and prevalence of the risks almost always correctly. The member included discrimination in its risk scoping. Input from workers and suppliers is partly included in the risk scoping, mainly from assessments, factory visits and training reports. Acne also works with intermediaries and has local teams in Italy and Portugal. The local teams go through the risks, assess them per factories and follow-up on corrective action plans. In the countries where the member does not have local teams, assessments, complaints, factory visits and training reports are used to assess the risks. In addition, the brand systematically evaluates all its suppliers on various indicators, including the respect of human and labour rights. The supplier evaluation influences purchasing decisions. Risk scoping and supplier evaluation include also Tier two suppliers.

Acne has a strong production planning in place to prevent excessive overtime. Regarding its purchasing practices, the brand works with contracts for its main suppliers and they range for approximately five years. However, the terms and conditions of these contracts are not yet sufficiently supporting human rights due diligence. Where the brand uses intermediaries, they are requested to do the payments. However, the brand is not aware of the purchasing practices of intermediaries. The brand has a basic understand of the wage levels at its production locations and continued to use open-costing for some additional styles. Acne has also enrolled some of its key suppliers in the Fair Price App training to get a better insight on how to calculate labour costs. Living wages and wages set in collective bargaining agreements are paid for Acne's 17% FOB. In the previous financial year, the brand received 36 assessments. With a sample, the brand could prove that more than half of the findings were resolved. The brand has developed action plans for some of its production locations. Acne has also organised training for suppliers and workers to raise awareness on human rights and social dialogue.

Acne is recommended to review its contracts against the Common Framework for Purchasing Practices, develop action plans for all its production locations, add a gender lens for all the Code of Labour Practices for all its sourcing countries, and get better insights in the link between its buying prices and labour costs.

In 2023, Fair Wear implemented a new performance check methodology aligned with the OECD guidelines on HRDD. This new methodology raises the bar and includes some new indicators, which may result in a lower score for member brands. Because this is a transition year, Fair Wear lowered the scoring threshold for this year only.

Performance Category Overview

Leader: This category is for member companies who are doing exceptionally well, and are operating at an advanced level. Leaders show best practices in complex areas such as living wages and freedom of association.

Good: It is Fair Wear's belief that member companies who are making a serious effort to implement the Code of Labour Practices—the vast majority of Fair Wear member companies—are 'doing good' and deserve to be recognized as such. They are also doing more than the average clothing company, and have allowed their internal processes to be examined and publicly reported on by an independent NGO. The majority of member companies will receive a 'Good' rating.

Needs Improvement: Member companies are most likely to find themselves in this category when major unexpected problems have arisen, or if they are unable or unwilling to seriously work towards CoLP implementation. Member companies may be in this category for one year only after which they should either move up to Good, or will be moved to suspended.

Suspended: Member companies who either fail to meet one of the Basic Requirements, have had major internal changes which means membership must be put on hold for a maximum of one year, or have been in Needs Improvement for more than one year. Member companies may remain in this category for one year maximum, after which termination proceedings will come into force.

Categories are calculated based on a combination of benchmarking score and the percentage of own production under monitoring. The specific requirements for each category are outlined in the Brand Performance Check Guide.

Company Profile Acne Studios

Member company information

Member since: 1 Jan 2008

Product types: Garments, clothing, fashion apparel

Percentage of CMT production versus support processes 60%

Percentage of FOB purchased through own or joint venture production 0%

Percentage of FOB purchased directly 3%

Percentage of FOB purchased through agents or intermediaries 39%

Percentage of turnover of external brands resold 0%

Are vertically integrated suppliers part of the supply chain? No

FLA Member No

Number of complaints received last financial year 0

Basic requirements

Definitive production location data has been submitted for the financial year under review? Yes

Work Plan and projected production location data have been submitted for the current financial year? Yes

Membership fee has been paid? Yes

Production countries, including number of production locations and total production volume.

Production Country	Number of production locations	Percentage of production volume
Italy	160	39%
China	52	24.11%
Portugal	60	19.93%
Türkiye	6	4.95%
Romania	10	4.37%
Bulgaria	14	2.79%
Morocco	3	1.85%
Lithuania	31	1.68%
Albania	1	0.48%
Tunisia	1	0.43%
United Kingdom of Great Britain and Northern Ireland	1	0.29%
Sweden	2	0.05%
Serbia	1	0%
India	1	0%

Layer 1 Foundational system's criteria

Possible Points: 8

Earned Points: 6

1.1 Member company has a Responsible Business Conduct policy adopted by top management.: **Yes**

Comment: Acne has a Responsible Business Conduct Policy, but some elements need improvement. In particular, it should also include clear commitments regarding the brand's intermediaries; it should stipulate the brand's expectations regarding the use of subcontractors and the outsourcing to homeworkers; the policy should also commit to meaningful stakeholder engagement and hear and address complaints raised against the brand. In addition, the responsible business conduct policy should be signed by the CEO and made publicly available.

Requirement: Acne needs to improve its Responsible Business Conduct Policy, to ensure better alignment with the OECD guidelines.

1.2 All member company staff are made aware of Fair Wear's membership requirements.: **Yes**

1.3 All staff who have direct contact with suppliers are trained to support the implementation of Fair Wear requirements.: **Yes**

1.4 A specific staff person(s) is designated to follow up on problems identified by the monitoring system, including complaints handling. The staff person(s) must have the necessary competence, knowledge, experience, and resources.: **Yes**

1.5 Member company has a system in place to identify all production locations, including a policy for unauthorised subcontracting.: **Yes**

1.6 Member company discloses internally through Fair Wear's information management system, in line with Fair Wear's Transparency Policy.: No

Comment: Acne discloses 49% of production locations internally through Fair Wear's information management system. According to Fair Wear's transparency policy, members should disclose at least 50% of their factories for the financial year starting in 2022. Fair Wear does not disclose Chinese factories on its website yet and, therefore, is lenient when members do not disclose Chinese factories.

Requirement: Fair Wear requires Acne to disclose its production locations to other member brands through Fair Wear's information management system.

1.7 Member company discloses externally on Fair Wear's transparency portal, in line with Fair Wear's Transparency Policy.: No

Comment: Acne discloses 49% of production locations externally on Fair Wear's transparency portal. According to Fair Wear's transparency policy, members should disclose at least 50% of their factories for the financial year starting in 2022. Fair Wear does not disclose Chinese factories on its website yet and, therefore, is lenient when members do not disclose Chinese factories.

Requirement: Fair Wear requires Acne to disclose its production locations on Fair Wear's transparency portal.

1.8 Member complies with the basic requirements of Fair Wear's communication policy.: Yes

Layer 2 Human rights due diligence, including sourcing strategy and responsible purchasing practices.

Possible Points: 90

Earned Points: 74

Indicators on Sourcing strategy

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.1 Member company's sourcing strategy is focused on increasing influence to meaningfully and effectively improve working conditions.	Advanced	Fair Wear expects members to adjust their sourcing strategy to increase their influence over working conditions. Members should aim to keep the number of production locations at a level that allows for the effective implementation of responsible business practices.	Strategy document; consolidation plans, examples of implementation.	6	6	0

Comment: Acne has a sourcing strategy addressing influencing labour conditions.

The member has 344 active suppliers. In the financial year under review, the brand has placed orders in 300 production locations while the remaining 44 factories did not receive orders but remain part of Acne's pool of suppliers and subcontractors.

64% of the production volume comes from suppliers where the member has at least 10% leverage at suppliers.

69% of the production volume comes from suppliers where Acne buys less than 2% of its total FOB.

This is comparable to the previous year. However, Acne has increased the number of subcontractors due to special processes that are needed to realise certain styles.

Acne’s sourcing strategy explicitly focuses on increasing influence through consolidation and active cooperation with other clients. However, the brand does not yet commit to sourcing from countries where freedom of association and social dialogue are fully protected by law.

Recommendation: Fair Wear recommends Acne to consolidate its supply base by limiting the number of production locations in its tail end. To achieve this, Acne should determine whether suppliers where it buys less than 2% of its FOB are strategically relevant. Shortening the tail will allow the member to improve working conditions more efficiently and effectively.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.2 Member company’s sourcing strategy is focused on building long-term relationships.	Intermediate	Stable business relationships underpin the implementation of the Code of Labour Practices and give factories a reason to invest in improving working conditions.	Strategy documents; % of FOB from suppliers where a business relationship has existed for more than five years; Examples of contracts outlining a commitment to long-term relationship; Evidence of shared forecasting.	4	6	0

Comment: Acne has a sourcing strategy that focuses on maintaining long-term relationships.

69% of the member’s total FOB volume comes from suppliers with whom Acne has a business relationship for at least five years.

The member commits to long-term contracts with some of its suppliers. These usually range to five years. However, these long-term contracts are not yet embedded in Acne's sourcing strategy.

Recommendation: Acne is advised to embed long-term contracts in its sourcing strategy.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.3 Member company conducts a risk scoping exercise as part of its sourcing strategy.	Advanced	Human rights due diligence, according to the OECD guidelines, requires companies to undertake a scoping exercise to identify and mitigate potential human rights risks in supply chains of potential business partners.	HRDD policy; Sourcing strategy linked to results of scoping exercise; HRDD processes, including specific responsibilities of different departments; Use of country studies; Analysis of business and sourcing model risks; Use of licensees and/or design collaborations.	6	6	-2

Comment: Acne conducts risk scoping and includes all risk factors.

In its risk scoping, the member has generally assessed the impact and prevalence of the risks correctly. Acne sources from 14 countries across Europe, the Global South and North Africa. Its main sourcing countries are China, Italy and Portugal. In China, the brand scored almost all labour standards at high risk, with the exception of child labour and discrimination; in Italy, the brand scored at high risk discrimination, freedom of association, living wage and legally binding employment due to the prevalence of informal labour in the garment sector. However, the brand, which sources from Chinese-owned factories in Italy, scored forced labour and excessive overtime at a low risk, while several sources indicate otherwise. In Portugal, the brand has evaluated at high risk the right to a living wage, excessive overtime and occupational health and safety.

The risk scoping includes a gender lens. The member particularly included the risk of gender-based violence for all its sourcing countries. However, the brand has yet to apply a gender lens to all code of labour practices for all of its sourcing countries.

Acne included input from its suppliers and workers for some of its sourcing countries. In particular, worker's voice is captured through assessments.

The member adjusts its sourcing strategy based on the results of its risk scoping. In particular, Acne did not onboard suppliers based in Madagascar due to the human rights risks present in the country. To date, Acne's sourcing strategy does not mention a preference for countries where workers can freely form or join a trade union and/or bargain collectively. According to the brand, some suppliers are crucial to realise some of its styles and it is not easily accomplishable to find new suppliers with the same skill-set.

Recommendation: Fair Wear strongly advises Acne to reconsider the impact and/or prevalence of the risks in Italy. Fair Wear strongly recommends Acne to privilege countries where workers can freely form or join a trade union and/or bargain collectively and make this explicit in its sourcing strategy.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.4 Member company engages in dialogue with factory management about Fair Wear membership requirements before finalising the first purchase order.	Advanced	Sourcing dialogues aim to increase transparency between the member and the potential supplier, which can benefit improvements efforts going forward.	Process outline to select new factories; Material used in sourcing dialogue; Documents for sharing commitment towards social compliance; Meeting reports; On-site visits; Reviews of suppliers' policies.	4	4	0

Comment: It is the standard process for Acne to inform new suppliers about Fair Wear membership by sharing an onboarding package with information about Fair Wear and its requirements, the Code of Labour Practices, and what is expected of suppliers. This process has been followed for the 95 suppliers added in the financial year under review. In particular, the sourcing team is responsible for selecting new potential suppliers and visits the factories; after this process is conducted, the sustainability team takes direct contact with the suppliers to explain what Acne expects in terms of working sustainably for workers and the environment. If the supplier is willing to collaborate with Acne on sustainability, the supplier will be onboarded; otherwise, the process ends and the sourcing team will look for new suppliers. Additionally, the brand started a dialogue with the strategic suppliers about human rights and how the supplier and Acne can cooperate on this topic.

Recommendation: Acne is recommended to engage in dialogue with all suppliers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.5 Member company collects the necessary human rights information to inform sourcing decisions before finalising the first purchase order.	Advanced	Human rights due diligence processes are necessary to identify and mitigate potential human rights risks in supply chains. Specific risks per factory need to be considered as part of the decision to start cooperation and/or place purchasing orders.	Questionnaire with CoLP, reviewing and collecting existing external information, evidence of investigating operational-level grievance system, union and independent worker committee presence, collective bargaining agreements, engaging in conversations with other customers and other stakeholders, including workers.	6	6	0

Comment: Acne collects human rights information of potential new suppliers by asking them to compile a self-assessment questionnaire on the Code of Labour Practices, the Occupational Health and Safety Checklist and collecting third-party assessments when available. However, Acne has not collected information for all the new added suppliers on the availability and effectivity of internal-grievance mechanisms. If the supplier is not willing to commit to human and labour rights or to share these documents, Acne does not place any purchasing order. Acne followed this process for the suppliers added in the last previous year. The company also collects information from workers or stakeholders to inform the sourcing decision. However, the member's sourcing strategy does not mention a preference for suppliers where workers are free to form or join a trade union and/or bargain collectively.

Recommendation: Fair Wear recommends Acne to investigate whether an operational grievance mechanism exists. Fair Wear strongly recommends Acne to privilege suppliers where workers can freely form or join a trade union and/or bargain collectively and make this explicit in its sourcing strategy.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.6 Member actively ensures awareness of the Fair Wear CoLP, the complaints helpline, and social dialogue mechanisms within the first year of starting business.	Basic	This indicator focuses on the preliminary mitigation of risks by actively raising awareness about the Fair Wear Code of Labour Practices and complaints helpline. Discussing Fair Wear’s CoLP with management and workers is a key step towards ensuring sustainable improvements in working conditions and developing social dialogue at the supplier level.	Evidence of social dialogue awareness raised through earlier training/onboarding programmes, onboarding materials, information sessions on the factory grievance system and complaints helpline, use of Fair Wear factory guide, awareness-raising videos, and the CoLP.	2	6	0

Comment: In the previous financial year, Acne has added 95 new suppliers.

Acne has shared information about Fair Wear’s CoLP and the complaints helpline within the first year of doing business. The Worker Information Sheet has been posted.

Acne has not yet organised onboarding sessions for its new suppliers to raise awareness about the Fair Wear CoLP, the complaints helpline, or the importance of social dialogue.

Recommendation: Acne is recommended to organise onboarding sessions specifically focusing on the CoLP and the complaints mechanism within the first year of doing business. Acne is also recommended to ensure that women workers and workers from other marginalised groups can participate in discussions in the onboarding sessions. Finally, Fair Wear recommends Acne to include a discussion with workers on how they would like to provide feedback and report grievances to the management regarding their working conditions in its onboarding sessions.

Indicators on Identifying continuous human rights risks

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.7 Member company has a system to continuously monitor human rights risks in its supply chain.	Advanced	Members are expected to regularly evaluate risk in a systematic manner. The system used to identify human rights risks determines the accuracy of the risks identified and, as such, the possibilities for mitigation and remediation.	Use of risk policies, country studies, audit reports, other sources used, how often information is updated.	6	6	0

Comment: Acne has a systematic approach to identifying human rights risks in its supply chain and has assessed the risks for each production location. It has determined the appropriate monitoring tool and frequency per country. In particular, Acne's monitoring tools are assessments, factory visits, dialogue with the main and most strategic suppliers, and training reports. For instance, the brand monitors its suppliers in Italy and Portugal on a very regular basis, as Acne has a local team on the ground that visits factories. Next to its systematic approach, the brand ensures it uses different monitoring tools that include input from workers, such as training reports and Fair Wear assessments.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.8 Member company's continuous monitoring of human rights risks includes an assessment of freedom of association (FoA).	Intermediate	Freedom of association and collective bargaining are 'enabling rights.' When these rights are respected, they pave the way for garment workers and their employers to address and implement the other standards in Fair Wear's Code of Labour Practices - often without brand intervention.	Use of supplier questionnaire to inform decision-making, collected country information, and analyses.	4	6	0

Comment: Acne has mapped the risks to Freedom of Association in all its sourcing countries and can explain the main risks per country. Based on its risk scoping, the brand has conducted root causes analysis of the risks to freedom of association and social dialogue in China, Romania and Türkiye. In China, there is a state-controlled trade union, but it is not functioning. Workers are generally not aware of their right to freedom of association and are not interested in becoming workers' representatives, with some exceptions. In Türkiye, factory management tends to discourage workers from joining trade unions and becoming worker's representatives. While there are trade unions and workers' representatives in the brand's sourcing factories, unionisation remains low, and support is needed to build capacity for social dialogue. In Romania, there is low awareness of these rights; however, according to the brand, many factories the brand sources from have signed collective bargaining agreements. No evidence of this claim was provided during the performance check. In addition, the brand asks its suppliers if they have signed collective bargaining agreements and includes this aspect in the supplier evaluation.

Acne knows that women are generally under-represented in trade unions and among workers' representatives. The brand does not have a complete overview of the specific risks to women for freedom of association and social dialogue in its sourcing countries; however, the brand collected information on the gender ratio of worker representatives for some of its sourcing countries.

Acne mainly relies on assessments to monitor its suppliers on freedom of association and social dialogue.

Recommendation: Acne should include risks specific to women workers in its risk assessment regarding FoA at its suppliers. Acne is recommended to join a multi-company CBA if possible. It is recommended that the member ensure supplier-level monitoring is in place to assess and understand the risk at suppliers by using the tools provided by Fair Wear in the guidance on freedom of association and social dialogue.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.9 Member company includes a gender analysis throughout their continuous monitoring of human rights risks, to foster a better understanding of gendered implications.	Intermediate	Investing in gender equality creates a ripple effect of positive societal outcomes. Members must apply gender analyses to their supply chain to better address inequalities, violence, and harassment.	Evidence of use of the gender mapping tools and knowledge of country-specific fact sheets.	4	6	0

Comment: Acne has included the risk of discrimination in its risk scoping for all its sourcing countries. The brand applied a gender lens to the Code of Labour Practices (CoLPs) at a general level but did not apply the gender lens to all CoLPs in its sourcing countries. However, the brand investigated the risk of discrimination for all its sourcing countries. So far, the brand knows the gender ratio of workers at its suppliers, if the factory owner is female, and has collected information on the gender ratio of worker representatives for some of its sourcing countries.

Recommendation: Fair Wear strongly recommends Acne to enroll in the Introduction to Gender Equality programme on Fair Wear’s learning platform. Fair Wear recommends the member to collect country-level gender risks for each Code of Labour Practices.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.10 Member company considers a production location’s human rights performance in its purchasing decisions.	Advanced	Systematic evaluation is part of continuous human rights monitoring. A systematic approach to evaluating production location performance is necessary to integrate social compliance into normal business processes and to support good decision-making.	Supplier evaluation format, meeting notes on supplier evaluation shared with the factory, processes outlining purchasing decisions, link to responsible exit strategy.	4	4	0

Comment: Acne has a strong and systematic evaluation system for assessing suppliers' human rights performance. In particular, Acne's departments annually evaluate all its suppliers on various indicators, including sustainability ones (e.g., the Code of Labour Practices, transparency, use of subcontractors, elected workers' representatives, etc.). Acne shares the outcome of the evaluation with all its suppliers but not yet with their worker representatives.

The brand systematically integrates the outcome of this evaluation into its purchasing decisions. Based on the outcome, underperforming suppliers are asked to improve and follow a correction action plan co-developed with Acne. However, if the supplier continues to underperform and lacks interest in working sustainably, the brand may exit the supplier as a last resort.

Recommendation: Fair Wear recommends Acne to share and discuss the outcome of the supplier evaluation with worker representatives, if present.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.11 Member company prevents and responds to unauthorised or unknown production and/or subcontracting.	Advanced	Subcontracting can decrease transparency in the supply chain and has been demonstrated to increase the risk of human rights violations. Therefore, when operating in higher-risk contexts where it is likely subcontracting occurs, the member company should increase due diligence measures to mitigate these risks.	Production location data provided to Fair Wear, financial records from the previous financial year, evidence of member systems and efforts to identify all production locations (e.g., interviews with factory managers, factory audit data, web shop and catalogue products, etc.), licensee contracts and agreements with design collaborators.	4	4	0

Comment: Acne uses the outcomes of its human rights monitoring to respond to unauthorised subcontracting.

There is no evidence of missing first-tier locations in the database. The member takes measures to prevent unauthorised subcontracting or unknown locations. In particular, Acne's subcontracting states that suppliers cannot subcontract orders or part of their orders without informing the brand. In addition, the brand has a quality control team in Italy and Portugal that visits the factories during the production and check if orders are produced at the official suppliers and subcontractors. In addition, Acne ensures if the suppliers have the skill-set to produce the styles placed at these production locations. Once the brand has collected information on which orders and styles are placed at which suppliers and subcontractors, this data is included in its internal planning system to effectively monitor where production is taking place. However, the brand is not aware of the production capacity of all its suppliers and, therefore, cannot do a plausibility check between the effective capacity and the number of workers. In the previous financial years, a production location based in Bulgaria did not inform the brands of the use of subcontractors. Based on the assessment conducted in 2023, the situation has improved and no evidence of unknown subcontractors has been found.

Recommendation: Acne is recommended to check capacity in the factory and compare capacity to output, to support a plausibility check whether production probably has taken place in the factory.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.12 Member company extends its due diligence approach to homeworkers.	Advanced	Homeworkers should be viewed as an intrinsic part of the workforce, entitled to receive equal treatment and have equal access to the same labour rights, and therefore should be formalised to achieve good employment terms and conditions.	Supplier policies, evidence of supplier and/or intermediaries' terms of employment, wage-slips from homeworkers.	4	4	0

Comment: Acne does not have a specific policy for homeworkers. However, the member has identified whether homework is prevalent in its sourcing countries and for all its supplier base. The brand knows that some suppliers use homeworkers (e.g., one production location in Italy uses homeworkers even if not for Acne) and ask their suppliers to fill in the homeworke's questionnaire. The information included in the questionnaire and the assessments are the tools selected by the brand to monitor if homeworkers are present in their supply chain.

Indicators on Responsible purchasing practices

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.13 Member company's written contracts with suppliers support the implementation of Fair Wear's Code of Labour Practices and human rights due diligence, emphasising fair payment terms.	Insufficient	Written, binding agreements between brands and suppliers, which support the Fair Wears CoLP and human rights due diligence, are crucial to ensuring fairness in implementing decent work across the supply chain.	Suppliers' codes of conduct, contracts, agreements, purchasing terms and conditions, or supplier manuals.	0	4	0

Comment: The member has contractual agreements with some of its suppliers. These contracts usually range for a period of five years. However, they do not support human rights due diligence because an unequal burden is placed on the supplier. In particular, penalties and order cancellations are included for late deliveries irrespective of where the responsibility lies. The same terms apply in case defects are caused by the suppliers. The payment terms are not explicitly mentioned in the contract and are agreed upon via email or other guidelines. Although the contract includes the Code of Labour Practices, the contract itself does not support the implementation of human rights due diligence. In particular, all the burden on respecting human rights is placed on the suppliers, and there is no mention of the shared responsibilities of CoLP implementation. Finally, written contracts with suppliers are not embed in Acne's sourcing strategy.

Requirement: Acne should evaluate its contracts to ensure that it does not place an unequal burden on its suppliers or include terms that limit the possibility of implementing the Code of Conduct. Acne needs to use written contracts with all its suppliers that include shared responsibilities and support the implementation of human rights due diligence.

Recommendation: Fair Wear strongly recommends Acne to include the shared responsibility of CoLP implementation in its contracts, including fair payment terms. In its contracts with suppliers, Acne could ringfence labour costs to prevent negotiations from negatively affecting wages. Fair Wear strongly recommends that Acne remove penalties for late delivery from its contracts, or at least ensure there is 'proof of fault by the supplier'. Acne is advised to review its contracts with suppliers against the principles mentioned in the Common Framework of Responsible Purchasing Practices (CFRPP).

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.14 Member company has formally integrated responsible business practices and possible impacts on human rights violations in their decision-making processes.	Advanced	Corporate Social Responsibility (CSR), purchasing, and other staff that interact with suppliers must be able to share information to establish a coherent and effective strategy for improvements. This indicator examines how this policy and Fair Wear membership requirements are embedded within the member company.	Internal information systems, status Corrective Action Plans, sourcing score- cards, KPIs listed for different departments that support CSR efforts, reports from meetings from purchasing and/or CSR staff, and a systematic manner of storing information.	6	6	0

Comment: There is an active interchange of information between CSR and other departments to enable coherent and responsible business practices. In particular, the CSR team and the other departments meet regularly and train these colleagues on the Code of Labour Practices, open costing, and how to negotiate by considering labour costs.

The sourcing staff work with Key Performance Indicators (KPIs) supporting good sourcing. Examples of these KPIs are: having more than 50% FOB placed at suppliers that share Acne's sustainability ambition, trace 100% of Tier 1 and partially Tier 2 and 4, and monitor workers' rights for the entire supply chain by the financial year 2025/2026. However, the brand has not yet develop KPIs to support good pricing strategies. In addition, the member has not yet included responsible business practices in job role competencies.

Recommendation: Acne could include responsible business practices in its job role competencies of sourcing and purchasing staff.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.15 Member company's purchasing practices support reasonable working hours.	Advanced	Members' purchasing practices can significantly impact the levels of excessive overtime at factories.	Proof that planning systems have been shared with production locations, examples of production capacity knowledge that is integrated into planning, timely approval of samples, and proof that management oversight is in place to prevent late production changes.	6	6	0

Comment: There are two seasons at Acne, each with four delivery deadlines. Acne has developed a strategy guiding designers and production managers to plan production systematically. The strategy describes timeframes of each process including designing, sampling, material preparation, confirming orders, production, and delivery. The strategy was developed in consultation with the suppliers. A production cycle takes about six to nine months. The suppliers are informed from the beginning of the production cycle. Acne has taken steps to prevent overtime issues, such as pre-ordering fabrics, planning production avoiding public holidays and extensive communication on sample details.

Throughout the production process Acne maintains close contact with the suppliers, to be able to adjust its planning, jointly prioritise and possibly inform customers if production was delayed. Compared to the previous financial year, the brand has included the material delivery, the orders's sign off, the expected delivery from the supplier and other critical dates in its production planning to monitor even closer the production process.

Acne's production department is aware of the importance of good planning and its impact on the working hours of workers. Acne focuses on improving its forecasting, enabling earlier planning of production at the production locations. The brand does not yet evaluate the production planning process with its supplier base. In addition, two assessments conducted at Chinese suppliers mentioned that workers have to work excessive overtime to produce Acne's products and that the raw materials provided by Acne's designated suppliers often have quality issues which affects the factory's production schedule.

Recommendation: The member is encouraged to evaluate with the supplier the production process after each season and, where needed, adapt its future planning.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.16 Member company can demonstrate the link between its buying prices and wage levels at production locations.	Intermediate	Understanding the labour component of buying prices is an essential first step for member companies towards ensuring the payment of minimum wages - and towards the implementation of living wages.	Interviews with production staff, documents related to member's pricing policy and system, buying contracts, cost sheets including labour minutes.	4	6	0

Comment: Acne does a wage analysis in its production locations in Bulgaria, China, Italy, Romania, Tunisia and Türkiye. Based on information from the assessments they compare average wages of the sewing department with legal minimum wage, average wage and living wage. At the moment all production locations pay well above the industry average. In the financial year under review, buying prices increased to cover higher energy costs. In addition, the brand adjusted its prices to cover the increased legal minimum wage and inflation costs in Türkiye and in Portugal.

Acne continued to gather information on labour minutes and a more detailed labour cost breakdown. The company reached out to additional suppliers in the past financial year to collect information. This information is currently collected after setting the price and is not used to influence price negotiations. At the moment, Acne has information on labour costs for 13 production locations where carry-over styles are produced. In the financial year under review, the brand introduced some of its suppliers to the Fair Price App to do some advanced form of open costing. The suppliers who were enrolled in the training were generally positive; however, some of the suppliers mentioned that the system is quite complex to follow-up as they are generally small factories.

Through this process, Acne monitors that its prices do not negatively influence wages. However, at the moment, the company is not yet able to explicitly link its prices to wages.

Recommendation: Acne is recommended to continue to use the open-costing methodology to calculate the labour costs necessary to produce its goods.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.17 All sourcing intermediaries play an active role in upholding Fair Wear's Code of Labour Practices and ensure transparency about where production takes place.	Advanced	Intermediaries have the potential to either support or disrupt CoLP implementation. It is members' responsibility to ensure production relation intermediaries actively support the implementation of the CoLP.	Correspondence with intermediaries, trainings for intermediaries, communication on Fair Wear audit findings, etc.	4	4	0

Comment: Acne's business model includes sourcing intermediaries. In particular, the brand mainly relies on intermediaries in Italy and Portugal. The member has informed its sourcing intermediaries of Fair Wear requirements and could show they informed production locations. In particular, intermediaries are responsible for sharing the onboarding package with new suppliers, conducting quality control, visiting factories and following up on the corrective action plans. In some cases, the intermediaries pay directly the suppliers for the orders placed by Acne; however, the brand is not informed of the payment terms in use. In one case, a supplier filed a complaint for not receiving the due payment by the intermediary; the brand followed up with the factory and the intermediary and assessed that the mistake was determined by miscommunication between the parties involved.

Recommendation: The member is recommended to check if the intermediary's purchasing practices are fair and if the intermediary has adequate systems to ensure payments are made on time. Acne could require its intermediaries to uphold the purchasing practices mentioned in the CFRPP framework.

Layer 3 Prevention, mitigation and remediation

Possible Points: 92

Earned Points: 54

Indicators on the quality and coherence of a members' prevention and remediation system

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.1 Member company integrates outcomes of human rights risk identification (layer 2) into prioritisation and follow-up programmes according to the risk profile.	Basic	Based on the risk assessment outcomes, a factory risk profile can be determined with accompanying intervention strategies, including improvement and prevention programmes.	Overview of supplier base with accompanying risk profile and follow-up programmes.	2	6	0

Comment: Acne has started to draft follow-up plans for some of its production locations, mainly in Albania, Bulgaria, China, Italy, Morocco, and Türkiye. In particular, the brand organised training events and plans to roll out a living wage project in Italy. However, the brand has yet to prioritise actions for each supplier based on the outcome of risk scoping and risk assessment.

Recommendation: Fair Wear recommends the member to draft its follow-up plans for all its supplier base and to prioritise actions based on the outcome of risk scoping and assessment.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.2 Member company's improvement and prevention programmes include a gender lens.	Basic	The prevention and improvement programmes should ensure equitable outcomes. Thus, a gender lens should be incorporated in all programmes regardless of whether or not the programme is specifically about gender.	Proof of incorporation of the gender lens in follow up programmes, including stakeholder input.	2	6	0

Comment: Acne has started a living wage project in Italy to evaluate the performance of the factories (suppliers and sub-suppliers) that are part of the member's Italian supply chain in providing workers with a living wage. The project aims also to assess if there is a gender pay gap.

Recommendation: The member is encouraged to include a gender lens in all its improvement and prevention actions.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.3 Member company's improvement and prevention programmes include steps to encourage freedom of association and effective social dialogue.	Basic	Freedom of Association and Collective Bargaining are enabling rights. Therefore, ensuring they are prioritised in improvement and prevention programmes can help support improvements in all other areas.	Available prevention and improvement programmes, including stakeholder input.	2	6	0

Comment: Acne included some steps to encourage FoA and effective social dialogue in its improvement or prevention actions. The brand organised training sessions on social dialogue at two of its suppliers in Türkiye.

Recommendation: Acne is recommended to, together with the supplier, distribute non-retaliation letters to workers, ensuring workers know they will not be punished for joining or forming trade unions. Acne is strongly encouraged to ensure worker representatives are involved in the steps that the member takes to promote freedom of association and effective social dialogue. Fair Wear recommends Acne to apply a gender lens and ensure its steps to promote FoA and effective social dialogue address the specific risks for female workers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.4 Member company actively supports operational-level internal grievance mechanism.	Basic	Fair Wear’s complaints helpline is a safety net in case local grievance mechanisms do not provide access to remedy. Members are expected to actively support and monitor the effectiveness of operational-level grievance mechanisms as part of regular contact with their suppliers.	Communication with suppliers, responses to grievances, minutes of internal worker committees, evidence of democratically elected worker representation, evidence of handled grievance, review of factory policies, and proof of effective social dialogue.	2	6	0

Comment: Acne collects information on the existence of factory-level grievance mechanisms at the beginning of the business relationship. However, the brand does not check if these systems are effective, known and used by the workforce at the beginning of the business relationship.

Acne monitors the existence and effectiveness of factory-level grievance mechanisms with assessments and follows up on issues related to factory-level grievance mechanisms when they come up in CAPs.

Recommendation: Fair Wear recommends Acne to always involve suppliers and worker representatives in the assessment of the internal grievance mechanism and to share and discuss the outcome of the assessment with the above stakeholders, who should be encouraged to lead a discussion on how the mechanisms can be improved. Fair Wear recommends Acne to ensure that the evaluation of internal grievance mechanisms of its suppliers is systematically considered in purchasing decisions. Fair Wear recommends Acne to ensure that the evaluation of internal grievance mechanisms of its suppliers is systematically considered in purchasing decisions.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.5 Member company collaborates with other Fair Wear members or customers of the production location.	Advanced	Cooperation between Fair Wear members increases leverage and the chances of successful outcomes. Cooperation also reduces the chances of a factory needing to conduct multiple improvement programmes about the same issue with multiple customers.	Communication between different companies.	6	6	0

Comment: Acne cooperates with other Fair Wear members at its shared suppliers, responding to CAPs and complaints. In addition, Acne cooperates with non-Fair Wear members in Italy; in particular, this group of brands shares information on the risks in the country and organises factory training for suppliers and workers.

Indicators on implementation: improvement and prevention

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.6 Degree of progress towards implementation of improvement programme per relevant factory.	54%	Fair Wear expects members to show progress towards the implementation of improvement programmes. Members are expected to be actively involved in the examination and remediation of any factory-specific problem.	Progress reports on improvement programmes.	4	6	-2

Comment: In the past financial year, Acne has received 36 assessment reports. During the performance check, the member could demonstrate with a sample that more than half of the CAP issues requiring improvement actions have been followed up. Examples of improvement actions that were taken include solving occupational health and safety findings and ensuring that workers receive the work contract in their native language and receive the due payment for the statutory leave. The CAP issues that require improvement actions and are still open are issues that are more complex or structural and, therefore, need more time to be remediated.

Recommendation: Fair Wear strongly recommends ensuring that the size of the supply chain and the available resources of Acne to actively follow up on CAP issues are coinciding. Possible solutions could be to decrease the number of suppliers or increase the resources needed to be able to work on improvement actions.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.7 Degree of progress towards implementation of prevention programme.	Basic progress	Fair Wear expects members to show progress towards the implementation of prevention programmes. With this indicator, Fair Wear assesses the degree of progress based on the percentage of actions addressed within the set timeframe.	Update on prevention programmes.	2	6	-2

Comment: Acne has identified one root cause of the CAP issues and discussed them with some suppliers. In particular, the member analysed the root causes of the lack of freedom of association and social dialogue. According to Acne's risk scoping, the brand has focused on identifying the root causes in China, Romania and Türkiye, as these countries have the highest risks for freedom of association. In China, there is a state-controlled trade union and it is not legal to form new trade unions which are not affiliated with the main one. Workers are generally not aware of freedom of association and fear retaliation if they engage with trade unions and/or are elected as workers' representatives. In Romania, there is a lack of awareness of freedom of association and social dialogue, and these rights tend to be repressed. In Türkiye, the government tends to control and repress trade unions, and suppliers discourage workers who would like to join trade unions or become workers' representatives. The member has yet to develop preventive measures to support social dialogue at these suppliers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.8 Member company validates risk profile and maintains regular dialogue with factories where no improvement or prevention programme is needed.	Intermediate	When no improvement or prevention programme is needed, Fair Wear expect its member companies to actively monitor the risk profile and continue to mitigate risks and prevent human rights abuses.	Use of Fair Wear workers awareness digital tool to promote access to remedy. Evidence of data collected, worker interviews, monitoring documentation tracking status quo.	4	6	0

Comment: Acne has some suppliers where improvement or prevention steps are not needed. In particular, these suppliers are based in Portugal, the United Kingdom, and Sweden. They cover 21% of the member's total FOB. The member has a system to ensure possible human rights risks are regularly discussed with these suppliers. In particular, the brand keeps informed on the situation in factories by directly engaging with the supplier or indirectly via its intermediaries. Once per year, the brand collects third-party assessment reports of these production locations to monitor and review the risk situation. The member has yet to include worker representatives/local unions in discussions with factory management on possible human rights risks.

Recommendation: Acne is recommended to ensure worker representation/local unions (when appropriate) are included in discussions with factory management on possible human rights risks.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.9 Degree to which member company mitigates root causes of excessive overtime.	Advanced	Member companies should identify excessive overtime caused by the internal processes and take preventive measures. In addition, members should assess ways to reduce the risk of external delays.	This indicator rewards self-identification of efforts to prevent excessive overtime. Therefore, member companies may present a wide range of evidence of production delays and how the risk of excessive overtime was addressed, such as: reports, correspondence with factories, collaboration with other customers of the factory, use of Fair Wear tools, etc.	6	6	0

Comment: In the previous year, three assessment reports of 36 assessments mentioned excessive overtime. In two cases, the assessments could verify that there was no more excessive overtime. Acne analysed the root causes of these findings. According to the member, the cultural attitude of the Chinese workers is a significant cause for excessive overtime. In addition, lack of efficiency and orders placed during the peak season are also contributing factors to excessive overtime. The member has taken action to address the root causes. In particular, the member discussed the topic with its suppliers, further improved its production planning system, and worked together with one supplier to increase efficiency by introducing new types of machinery.

Recommendation: Fair Wear advises Acne to discuss with its suppliers which solutions included in the Fair Working Hours Guide are applicable. Fair Wear recommends cooperating with other customers at the factory to increase leverage when mitigating excessive overtime.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.10 Member company adequately responds if production locations fail to pay legal wage requirements and/or fail to provide wage data to verify that legal wage requirements are paid.	Intermediate	Fair Wear members are expected to actively verify that all workers receive legal minimum wage. If a supplier does not meet the legal wage requirements or is unable to show they do, Fair Wear member companies are expected to hold the management at the production location accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, Fair Wear Audit Reports or additional monitoring visits by a Fair Wear auditor, or other documents that show the legal wage issue is reported/resolved.	2	4	-2

Comment: In the previous year, three out of 36 assessments included findings regarding non-payment of legal minimum wage and legally required wage elements. In particular, three Chinese factories either did not pay the legal minimum wage prescribed by the law or did not pay the overtime bonus and statutory leave to all workers. As soon as the brand received the assessment reports, it immediately followed up with the factories. However, the brand could not show evidence of remediation. As such, the brand is expected to provide evidence of remediation for all the findings in the next brand performance check. In Bulgaria, two assessments mentioned that findings related to the payment of the legal minimum wage and legally required wage elements were improved.

In the previous brand performance check, the brand received a requirement: ensure that all workers at suppliers in China received at least legal minimum wage and proper social security payments during Covid-19. The brand followed up with its suppliers but could not show evidence that all its Chinese suppliers paid at least legal minimum wage and social security during Covid-19.

Recommendation: Fair Wear strongly recommends Acne to ensure problems of payments below legal minimum wages are not just prevented going forward but also remediated retroactively. Acne must provide proof of improvement for all its Chinese suppliers in relation to the payment of the legal minimum wage and social security during Covid-19.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.11 Degree to which member company assesses and responds to root causes of wages lower than living wages in production locations.	Intermediate	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach.	Member companies may present a wide range of evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, wage data/wage ladders, gap analysis, correspondence with factories, etc.	4	6	0

Comment: Acne has a basic overview of the wage levels at its suppliers. The brand closely monitors wages in its production locations. Wages are an explicit focus area in the supplier evaluation. Information from different CAPs is compared and evaluated. Information from the CAP is translated into a root cause analysis, which is discussed with the factory. In the past, Acne has started to have more in-depth discussions about the root causes of wages below living wage with production locations where they have high leverage. The brand identified the following as root causes for wages lower than the living wages: the calculation of labour cost and the link to the buying prices is not yet completely clear both for the member and its suppliers, existence of double book-keeping and production inefficiency. In the financial year under review, the brand specifically focused the discussion on the link between prices and wages, continued to roll out open costing for more styles and offered the Fair Price App training for its most strategic suppliers. However, the member has yet to develop a systemic and time-bound approach to get wages increased towards a living wage.

Recommendation: Fair Wear encourages Acne to discuss with suppliers about different strategies to work towards higher wages and develop a systemic and time-bound approach. It is advised to start with suppliers where the member is responsible for a large percentage of production and has a long-term business relationship.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.12 Member company determines and finances wage increases.	Basic	Member companies should have strategies in place to contribute to and finance wage increases in their production locations.	Analysis of wage gap, strategy on paper, demonstrated roll out process.	2	6	0

Comment: For Acne, the target wage is the living wage estimate as provided by Fair Wear in the wage ladder, with the exception of Italy, where the brand takes Collective Bargaining Agreements as a reference. As part of the company's analysis of wage levels in production locations, they compare current wage levels against the industry average and the living wage estimate. The company plans to finance higher wages through its product prices, by reducing its own margin and simplifying some products.

Recommendation: To support companies in analysing the wage gap, Fair Wear has developed a calculation model that estimates the effect on FOB and retail prices under different pricing models.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.13 Percentage of production volume where the member company pays its share of the living wage estimate.	17%	Fair Wear requires its member companies to act to ensure a living wage is paid in their production locations to each worker.	Member company's own documentation such as reports, factory documentation, evidence of Collective Bargaining Agreement (CBA) payment, communication with factories, etc.	2	6	0

Comment: According to Acne, the brand is paying a living wage estimate at production locations responsible for almost 52% of its total FOB. However, based on the assessments available for the CMT and non-CMT production locations, a living wage estimate is paid at 17% of Acne's total FOB. The brand could not show evidence for the remaining amount.

Recommendation: Fair Wear recommends Acne to conduct a root cause analysis to check how it is possible that the paid wages are not above a living wage benchmark while the brand calculates with this benchmark in its pricing and has high leverage. Acne is encouraged to roll out its approach to other suppliers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.14 Member addresses grievances received through Fair Wear's helpline in accordance with the Fair Wear Complaints Procedure.	No complaints received	Members are expected to actively support the operational-level grievance mechanisms as part of regular contact with their suppliers. The complaints procedure provides a framework for member brands, emphasising the responsibility towards workers within their supply chain.	Overview of supporting activities, overview of grievances received and addressed, etc.	N/A	4	-2

Comment: Acne received no complaints in the past financial year.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.15 Degree to which member company implements training appropriate to the improvement or prevention programme.	Intermediate	Training programmes can play an important role in improving working conditions, especially for more complex issues, such as freedom of association or gender-based violence, where factory-level transformation is needed.	Links between the risk profile and training programme, documentation from discussions with management and workers on training needs, etc.	4	6	0

Comment: Acne has some CAP findings where training is a recommended follow-up action. The member has enrolled some of its suppliers with findings on lack of awareness of the Code of Labour Practices and lack of communication with factory management in the following training modules: Workplace Education Training - Basic, Onboarding Training Module 1 and the social dialogue training in Türkiye. The member has also organised external training sessions for Italian production facilities. In particular, the member has offered to some of its Italian suppliers training organised by the International Organisation for Migration (IOM) as many factory workers are migrants. In addition, Acne has enrolled a few suppliers in the Fair App Training to introduce open-costing and train suppliers on how to use the App. However, the brand has yet to implement training for all factories where it is needed based on the risk assessment and the assessment findings.

Recommendation: Acne is recommended to implement training for all factories where this is part of its improvement and/or prevention programme.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.16 Degree to which member company follows up after a training programme.	Advanced	Training is a crucial tool to support transformative processes but complementary activities such as remediation and changes at the brand level are needed to achieve lasting impact	Evidence of engagement with factory management regarding training outcomes, documentation on follow-up activities, and proof of integration into further monitoring and risk profiling efforts.	6	6	0

Comment: Acne followed up on all training results by reading the training reports, asking suppliers their impression of the training, how workers received it, how they intend to continue spreading the information and asking if new training sessions are needed based on the number of workers who participated in the training. Additionally, the member used the training results as input for its human rights risk monitoring by including these in its risk scoping, risk assessment and supplier evaluation.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.17 The member company's human rights risk monitoring system includes a responsible exit strategy.	Intermediate	Withdrawing from a non-compliant supplier should only be the last resort when no more impact can be gained from other strategies. Fair Wear members must follow the steps as laid out in the responsible exit strategy.	Exit strategy policy, examples of supplier communications.	2	4	0

Comment: Acne's human rights risk monitoring includes a responsible exit strategy. In particular, the brand aims to phase out gradually across more seasons. However, the responsible exit strategy and its steps are not shared with suppliers at the beginning of the business relationship.

In the past financial year, the member stopped with two production locations. Based on the supplier's evaluation, these production facilities were not up to the standard of Acne and were not compliant with sustainability standards. The brand informed the suppliers one year in advance and gradually reduced the FOB. However, Acne did not check if workers would be fired and would continue to receive their regular wages or severance pay.

Recommendation: Acne could discuss the responsible exit strategy with its suppliers, for instance as part of its supplier evaluation. Acne could include the responsible exit strategy as part of its suppliers' agreement or contract. The member is strongly recommended to collect information on worker's layoff as a consequence of the exit and the impact on their wages.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.18 Member company's measures, business practices and/or improvement programmes go beyond the indicators or scope.	Basic	Fair Wear would like to reward and encourage members who go beyond the Fair Wear policy or scope requirements. For example, innovative projects that result in advanced remediation strategies, pilot participation, and/or going beyond tier 2.	Overview of Human Right risk monitoring, remediation and prevention activities and processes.	2	6	0

Comment: Acne undertakes activities related to human rights that go beyond Fair Wear's scope. In particular, the brand mapped all Tier two suppliers, conducted risk scoping, collected assessment reports, where available, and included these production locations in the supplier's evaluation to score them on sustainability indicators.

Layer 4 External communication, outreach, learning, and evaluation

Possible Points: 22

Earned Points: 16

Indicators related to communication

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.1 Member company actively communicates about Fair Wear membership and its human rights due diligence efforts.	Advanced	Fair Wear membership includes the need for a brand to show its efforts, progress, and results. Fair Wear members have the tools and targeted content to showcase accountability and inform customers, consumers, and retailers. The more brands communicate about their sustainability work, the greater the overall impact of the work of the Fair Wear member community.	Member website, sales brochures, and other communication materials.	4	4	0

Comment: Acne communicates accurately about Fair Wear membership on its website and to retailers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.2 Member company sells external brands with a Human Rights Due Diligence system (if applicable).	No reselling of external brands	Some member companies resell other brands, which Fair Wear refers to as 'external production'. These members are expected to investigate the Human Rights Due Diligence system of these other brands, including production locations and the availability of monitoring information.	External production data in Fair Wear's information management system, collected information about other brands' human rights due diligence systems, and evidence of external brands being part of other multi-stakeholder initiatives that verify their responsible business conduct.	N/A	4	0

Comment: Acne does not sell external brands.

Indicators related to brand and supply chain transparency

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.3 Social report is submitted to Fair Wear and is published on the member company's website.	Advanced	The social report is an important tool for member companies to share their efforts with stakeholders transparently. The social report explicitly refers to the workplan and the yearly progress related to the brands goals identified in the workplan.	Social report.	4	4	0

Comment: Acne has submitted its social report, which Fair Wear approved. Acne has also published the report on its website.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.4 Member company engages in advanced reporting activities.	Intermediate	Good reporting by members helps ensure the transparency of Fair Wear's work and helps share best practices within the industry. This indicator reviews transparency efforts reported beyond (or included in) the social report.	Brand Performance Check, audit reports, information about innovative projects, specific factory compliance data, disclosed production locations (list tier 2 and beyond), disclosure of production locations, alignment with the Transparency Pledge.	2	4	0

Comment: Acne published its social report, which includes some factory-level data and remediation results, on its website. The factory-level data Acne included are the production countries it sources from, the number of suppliers and factories for each country, some assessment findings and training events organised for suppliers and workforce. In addition, Acne shares information on the share of living wage it is paying at its production locations. However, Acne has yet to disclose its full factory list and its time-bound improvement plans.

Recommendation: Acne is recommended to include more factory-level data in its reporting and ensure suppliers consent with data sharing, publish a complete factory list and publish time-bound plans for its suppliers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.5 Member company has a system to track implementation and validate results.	Intermediate	Progress must be checked against goals. Members are expected to have a system in place to track implementation and validate the progress made.	Documentation of top management involvement in systematic annual evaluation includes meeting minutes, verbal reporting, PowerPoint presentations, etc. Evidence of worker/supplier feedback.	4	6	0

Comment: Acne has a system to track progress and check if implemented measures have been effective in preventing and remediating human rights violations. In particular, the sustainability department has regular meetings with all other Acne's departments, including the CEO, on the supplier evaluation process, ongoing projects like open costing, the wage data, the number of production locations that undergo training sessions, and their results. In its evaluation system, the member does not yet include triangulated information from external sources, such as workers' representatives.

Recommendation: The member is advised to include feedback from workers and suppliers in its evaluation system.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.6 Level of action/progress made on requirements from previous Brand Performance Check.	Intermediate	In each Brand Performance Check report, Fair Wear may include requirements for changes to management practices. Progress on achieving these requirements is an important part of Fair Wear membership and its process approach.	Member should show documentation related to the specific requirements made in the previous Brand Performance Check.	2	4	-2

Comment: The previous performance check included the following requirement: 'During the lockdowns in China, Acne checked in on the situation at its production locations. All locations responded they were continuing to ensure workers received at least legal minimum wage and that proper social security payments were done. Acne did not receive proof of these claims'. Acne followed up on the requirements with its suppliers; however, during the performance check, the brand could not show evidence that the legal minimum wage and social security payments were effectively paid for all workers at Chinese suppliers during Covid-19.

Recommendation: Acne must provide proof of improvement for all its Chinese suppliers.

5 Appreciation chapter

5.1 Member company publicly responded to problems/allegations raised by consumers, the media, or NGOs.: Not applicable

5.2 Member company actively participated in lobby and advocacy efforts to facilitate an enabling environment in production clusters.: Yes

Comments: Acne's senior sustainability manager joined the event about the European Union Corporate Sustainability Due Diligence directive in November 2022 in Brussels.

5.3 Member company actively contributed to industry outreach, visibility, and learning in its main selling markets.: Not applicable

Recommendations to Fair Wear

Acne recommends Fair Wear to provide its members with more information for countries where Fair Wear does not have local teams, given the amount of new requirements in the updated version of the brand performance check. The brand would like to receive more support on the use of the Fair Price App for the factories that are required to do a lot of sampling before the actual production. Finally, Acne is positively impressed by the feature of shared assessments with suppliers in the Member Hub.

Brand Performance Check details

Date of Brand Performance Check: **17-01-2024**

Conducted by: **Gemma Giammattei**

Interviews with: **Britt van Hasselt – Chief Product Officer**

Francesca Doyle – Head of Production RTW

Eleanor Warner – Development Director RTW

Emma Häggström – Sustainability Director

Maike Kokke – Senior Sustainability Manager